



# Virtual Events Overview

1.0

Cut Costs & Improve Business Performance:  
6 Benefits of An Effective Virtual Business Strategy

While virtual events and experiences have been around for the better part of ten years, it took an economic recession in 2009 to provide the momentum that pushed them into the mainstream for many companies. The resulting reduction in travel and marketing budgets has accelerated the use of “virtual business” to achieve organizational marketing and communication goals.

From virtual trade shows and conferences to internal training and sales meetings to career fairs and educational events, companies seeking cost-effective ways to reach more people and generate new revenue now increasingly rely on virtual event and virtual business platforms.

Virtual events and virtual business go far beyond just webinars, networking and games. We define a virtual event as any type of business gathering that includes multiple tactics combined to create an interactive peer-to-peer experience on-line. This combination of tactics might include webcasts, chat forums, virtual trade shows, online sales meetings or training sessions, and online communities.

It is also important to look at what a virtual event is not. A virtual event is not meant to be a one-way broadcast of marketing messages. It is meant to be collaborative, allowing speakers, exhibitors, sponsors and event attendees to speak, connect and engage with one another. As such, a series of webinars or videos wouldn't qualify as a virtual event since the interactions do not enable peer-to-peer multi-dimensional connections. On the other hand, a virtual job fair, trade show or other corporate event that includes multiple media such as webinars, videos, live chat and three-dimensional exhibit booths, is a perfect example of a virtual event.

**75 percent of business decision-makers said they attended three or more Web-based events during the past 12 months.**

Source: American Business Media and Forrester Research

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Virtual Business. Real Results.

## Virtual Events: A Growing Medium

One need only look at the growing number of brand marketers using virtual events to see the industry's rapid growth. In 2009, The Event Marketing Institute cites 300% growth in this sector. Numerous breakthrough examples took place such as Cisco Systems online event staged as part of its annual partner and customer conference. Cisco Live Virtual was created for customers who couldn't attend the live event due to economic budget and travel restrictions. The virtual event featured technical sessions and demos by Cisco engineers, technology experts and training partners, as well as 15 sponsor booths. Over 4,000 Cisco partners and customers attended the virtual conference.

Sony Electronics Inc. used a virtual trade show as a cost-effective alternative to its traditional 15-city road show targeting professional broadcasting equipment consumers. The one-day event featured a dramatic trade show entrance with an auditorium, lounge and resource center, and attracted thousands of professional broadcasting equipment fans. Sony executives estimate the virtual event cost less than 50 percent of its traditional in-person event and created reusable content.

In addition, a 2009 report by American Business Media and Forrester Research found that 75 percent of business decision-makers said they attended three or more Web-based events during the past 12 months. According to a survey by the Center for Exhibition Research and George P. Johnson, 40 percent of corporate brand marketers and 31 percent of exhibition management executives reported using virtual media; 71 percent of respondents used virtual media to accommodate geographically widespread workforces and customers.

## A Virtual Continuum, for Business From Webinars to Virtual Business

Like any nascent industry, virtual events are evolving rapidly, driven by technological advances and the growing ubiquity of digital devices among consumers. When looking at the continuum of virtual events, two factors stand out: the level of interaction and the effectiveness of the experience to engage (see graphic below).



**Cisco Live Virtual reached over 14,000 attendees; 55% live, 45% virtual with dramatic savings**

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At the bottom left of the continuum is a one-dimensional experience featuring speaker communication and visual communication with limited attendee participation. Webinars and webcasts are prime examples of this type of experience. On the upper right is a very immersive experience with interactive attendee engagement tools and techniques for learning, entertainment and peer-to-peer collaboration with multidimensional engagement between attendees. The best example of this type of experience platform might be some aspects of the 'Second Life' virtual platform or active gaming or business communities. In between these two experiences are virtual events, where you combine the best characteristics of a webinar – the ability to present to an audience – with the multi-level interactivity of a virtual world.

This paper explores and explains the role of virtual events in business and marketing, including the advantages of using virtual events, the strategic factors that lead to successful virtual events, and how to determine whether or not your organization is ready to host virtual events. It also includes several case studies that illustrate virtual event best practices in various sectors including corporate meetings, media trade shows and marketing events from such organizations as SAP, AAA and PennWell Corp.

## The Business Benefits of Virtual Platforms

Virtual events provide many clear and measurable business and marketing advantages. The benefits include improved cost savings, higher productivity, expanded audience reach, incremental revenue generation, better data capture and tracking, not to mention reducing environmental impacts. This section discusses these six benefits in more depth.

### Dramatic Cost Savings

Going virtual eliminates or reduces the travel time and expense associated with staging or attending a physical event. Many virtual event hosts and sponsors report that virtual events have saved fifty percent or more when compared with physical events, while time to market can be as little as six weeks, (although we recommend at least a 12-week planning and launch timeframe). Virtual events are completely scalable and can target from five to 50,000 attendees. Attendees can participate from remote locations at their convenience, while event speakers can pre-record or deliver their presentations live, which makes for easier scheduling and often reduced speaker and content budgets.

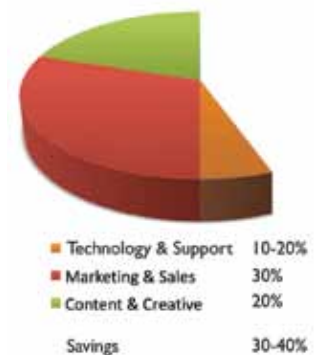
Virtual experiences provide tremendous creative possibilities with a nearly unlimited range of visuals, not bound by physical limitations. Virtual exhibit halls can be soaring, spacious and well lit, with active demonstration stations and engaging networking environments. Interactive and educational games and entertainment can be built into immersive, 3-D environments where content is delivered through a variety of live and on-demand venues, including keynotes, presentations, demonstrations, Q&As, chat rooms and forums.

## Where Virtual Event Platforms Fit in Your Budget

### Typical Event Budget



### Typical Virtual Event Budget



Source: Event Marketing Institute

## Higher Productivity

Clearly, staff that spends more time in the office and less time traveling and planning travel itineraries can be more productive. And keeping telecommuting staff engaged and connected is a huge business advantage. Virtual events allow planners and marketers to focus their energy and resources on signing sponsors and exhibitors, procuring top speakers and content, enticing a more targeted audience and generating more qualified leads.

In addition, more and more organizations are using virtual events to better engage and motivate their internal constituencies. Through videoconferencing technology, every company meeting can run online; webcasts can broadcast important communications to large groups of employees, partners and stockholders. And with just a webcam and a laptop, remote workers will become more prominent as companies try to maximize cost effectiveness, as well as connect and motivate their best employees.

## Expanded Audience Reach and Engagement

Virtual technology is allowing more event marketers to think globally, with limitless opportunities to tap into worldwide audiences. In fact, a recent study published by Information Week found that 42 percent of virtual event attendees were international, while 58 percent were from the U.S.

Virtual events also enjoy an extended lifecycle, with archived content that can be accessed well after the actual event is over. History has shown that 25 percent of virtual event leads come post-event or from on-demand time. For physical events, posting keynotes, demonstrations and podcasts online, as well as hosting webinars and webcasts can create mindshare for an event long after it is over – or even before it begins.

## Incremental Revenue Generation

Add together cost efficiency, an engaged and productive staff, and a better targeted, larger audience, and you've got a successful recipe for generating incremental revenue. Clearly, virtual events can be staged with less cost and reach more potential attendees and exhibitors at a lower cost than in-person events. And with careful budgeting, compelling marketing and promotion, and the wise use of staff resources, the cost savings can fall right to the bottom line in the form of additional revenue through increased sponsors, exhibitors and pay-per-view attendees for enterprise, association and media show owners and hosts.

## Better Data Capture, Tracking and Intelligence

One of the key benefits of hosting or participating in a virtual event is the performance and behavioral data that can be collected from attendees and their actions. Virtual events provide unparalleled access to real-time and post-event data, collected as attendees navigate virtual exhibit halls, download white papers and product collateral and participate in live Q&As. Such behavioral tracking, including capturing information about which booths attendees visit, how much time they spend at each, and what questions they ask in a forum or Q&A, is unique



**The average virtual event saves roughly \$1,000 per attendee in travel and costs.\***

**Virtual events provide unparalleled access to real-time and post-event data, collected as attendees navigate virtual exhibit halls, download documents and participate in Q&As.**

\*Based on INXPO average show data and Amex Business Travel 2009. (Domestic travel only)

to the virtual environment and offers critical metrics for marketing communication, sales, increased knowledge and performance and numerous other business results.

As part of the planning process, identify your key metrics and set goals in advance to measure the event's success. In the end, all of these analyses should be linked to specific actions that drive business outcomes.

## Greener and More Sustainable

From a corporate perspective, virtual events provide a “truly green” component to an organization's marketing and communication strategy at a time when being a good corporate citizen is becoming more important to customers and the bottom line. Virtual events reduce your organization's carbon footprint, as well as eliminate the corresponding waste and trash generated by an in-person show. A 2000 EPA study found that the typical convention-goer who is staying at a hotel generates about 20 pounds of trash per day, compared with 4.6 pounds at home.

## Five Keys to a Successful Virtual or Hybrid Event:

So, the key question now is: Is your organization ready to add virtual events to your marketing and communications arsenal? To find the answer, your staff – from senior executives to mid-level managers to the associates in the trenches – needs to agree beforehand about your goals and strategy. It is important to hold interdepartmental meetings to discuss your organizational resources and objectives, including the following:

- Are you looking to cut costs?
- Do you want to improve communication and productivity?
- Are you seeking new revenue?
- Do you want to leverage existing investments and/or events?
- Do you have one-time or programmatic event needs?
- Do you plan to run individual events for specific audiences with specific objectives or do you have a long term need to connect communities of people over time?

A comprehensive needs assessment will reveal whether your organization is ready for and can benefit from, virtual events or a virtual business platform. In the next section we look at the five key factors to staging or hosting a successful virtual event:

- 1) Event strategy
- 2) Target audience
- 3) Staffing plan
- 4) The right virtual platform
- 5) Executive support



**Successful virtual event planning begins with clear objectives and a strategy.**



## 1. Begin With an Event Strategy

Successful virtual event planning begins with clear objectives and a strategy. The internal discussion should start with your methodology: what marketing or communication problem are you trying to solve, and is a virtual event the right vehicle with which to solve it? Is your goal to generate demand or leads for your organization's products and services? Or are you trying to generate revenue, i.e., sell sponsorships and booths to industry vendors or channel partners? Or are you seeking an economical alternative for sales training and communication? What is your budget and expected ROI? The answers to all of these questions will shape the size, scope and strategy of your virtual event.

### Hybrid or Standalone?

An important aspect, especially for existing events is whether or not your virtual event will be an extension of an existing face-to-face event or a new, independent program. Virtual events can be a powerful addition to existing in-person shows. While a virtual event can educate, engage and create new space for customers, channel partners or employee groups, they will never replace a handshake or direct look in the eye. Integrating both strategies should be considered and can be very effective.

## 2. Target Your Audience

It is critical that part of your event strategy focuses on the audience you are trying to reach. During the development process, identify and segment your target audience including, but not limited to, demographics and psychographics. You need to understand your audiences' pain points, needs and values. Also consider whether or not that audience is ready to engage in and is equipped for, a virtual technology experience. If your target audience isn't ready, look at what you can do to make them ready, i.e. provide educational information via email or video. Lastly, a competitive market analysis will also show you what your competitors and colleagues are doing in the market, including what is and isn't working.

## 3. Have the Proper Staffing

A virtual event requires just as much thought, planning and effort as a physical event on the front end. Event managers and marketers still need to develop relevant content, book keynote and session speakers, sell sponsorships and floor space, and manage booth staff. The audience still needs to be targeted, acquired and managed; interactions need to be considered and designed, feedback gathered and analyzed.

So the question to ask yourself before you start is: Do you have the right staff for marketing, content development, sales and event management? We recommend having staff assigned specifically to the virtual event much like you would a physical one to ensure that the event goes smoothly and that the audience, and the exhibitors are pleased with the experience and would return.



**A virtual event is still an event, and it will take the same kind of talent to produce as a physical event.**

## 4. Choose the Right Virtual Event Platform

One of the most important decisions you'll make entering the virtual events realm is choosing a technology partner or platform. Whether you compile a short list of contenders from word-of-mouth referrals or trade show floor conversations, the first step is to internally discuss and agree upon your priorities and objectives and be prepared to explain them to any potential partners. Think about whether you need a single, repeatable platform for individual events or one that scales from small internal events to large, industry virtual trade shows and is integrated on an enterprise level.

The technology provider you pick should be willing to work with you throughout the development and execution process, beginning with in-depth discussions about your brand and marketing objectives and including training for all appropriate internal staff. Ask yourself these questions:

- Is the platform flexible enough to grow with your needs, including audience sizes, reliability and integration with third-party Web 2.0 technologies and other applications?
- Is it simple enough to use so that exhibitors can easily select, create and brand their booths without a lot of effort and help from you?
- Does it feature rich back-end reporting and integration capabilities with detailed reports, APIs to integrate outside applications, as well as provide lead scoring?

Don't be afraid to ask for customer references and industry best practices, as well. The platform you choose must ultimately be a strong representation of your brand, and look and feel the same as if your customer was walking into your corporate headquarters.

## 5. Executive Support

Lastly, C-level executives within your organization must buy into the value and effectiveness of virtual events in order to be successful. Remember that ultimately the senior management will likely have to sign off on budgets and technology requests. Have you convinced them of the need to incorporate virtual events into your marketing and communication mix or do they remain skeptical?

Comprehensive data analysis and careful tracking of event ROI is paramount to secure senior executive buy-in. If you've begun the RFP process with virtual event platform providers, ask prospective partners up front for the potential cost savings and incremental revenue that their platforms can help your organization realize. Compare them to your existing event marketing budget results. Tangible results are what counts here – especially during this time of increased belt tightening.

**Your technology provider should be willing to work with you throughout the development and execution process.**

## Virtual Business Examples

### Increase Reach: AAA Virtual Travel Shows



“I live in a small community and it’s not always possible for me to attend shows in major cities, I think this is a wonderful idea. I especially liked to be able to talk to not only the exhibitors but also attendees. I hope you do more of these.”

Wendy P.  
Virtual Attendee

**Marketing Issue:** Bring AAA members together in one place to educate them on unique and affordable travel options despite having over 1,000 AAA offices nationwide.

**Marketing Solution:** Create a series of ten virtual travel shows allowing AAA members to attend free of charge and interact with travel experts and fellow travel enthusiasts from the comfort of their own homes or offices.

**Virtual Event Strategy:** Develop a visually appealing experience to grow qualified leads and sales volume for AAA preferred travel partners, reduce customer acquisition costs, increase brand awareness in the online marketplace and capitalize on the emerging phenomenon of social networking.

**Virtual Event Features:** Video pop-up alerts appeared when speaker presentations were about to begin in the auditorium. A virtual lounge allowed for attendee and speaker networking. AAA leisure travel planners were also available during the event for a live chat or click-to-call application for Q&A and research travel itineraries.

**Results:** Post-event surveys found that 80 percent of attendees planned to take a vacation within the next six months, and 98 percent said they would consider booking their next vacation with AAA. Overall, members spent more than 1.5 hours at the virtual travel shows.



## Virtual Business Examples

# Expand Reach, Reduce Cost, Improve Business Performance: SAP Field Kick-Off Meeting 2009



**Marketing Issue:** SAP is an enterprise software company with more than 89,000 customers and over 48,500 employees. For its 2009 field kick-off meeting, SAP set objectives to expand reach and reduce costs.

**Marketing Solution:** SAP chose to create a hybrid physical and virtual event that included a physical gathering in Germany, with micro-sites throughout the world broadcasting all of the content globally through the virtual platform.

### Virtual Event Features:

- **Exhibit Booths:** Topic-specific booths covered key initiatives with experts available for real-time chats.
- **Keynote Theater:** Broadcast live from Germany, attendees could watch global keynotes and presentations from leaders on business-critical topics with the ability to ask questions directly to the presenters.
- **Community Conversations:** SAP leaders blogged on key topics and encouraged employees to “contribute to the conversation.”
- **Global Networking:** Attendees could engage in one-to-one chats and network with peers from around the world.
- **FKOM 2009 film festival:** sales teams were invited to submit short films for peer review and comment.

**Results: Strong business impact and measurable savings:** Nearly 17,000 employees attended the FKOM 2009 virtual event and participated in a shared experience that was delivered while realizing significant cost savings.

**Attendee impact:** 17,000 attendees logged on an average of three times, indicating a compelling experience. Over 25,000 documents were viewed, and 5,000 chats took place.

**Cost Savings:** SAP experienced significant savings from air travel, venue, lodging, and other costs, as well as the accompanying reduction in greenhouse emissions. Indirectly, the company saved on travel days that employees could use in more productive ways. Going forward, SAP plans to continuously innovate around virtual experiences to enable even greater levels of interaction between its employees and customers.

“As a large, global company, SAP is constantly innovating to better connect its customers and employees. One of these innovations is virtual events, which provide a platform to deliver both information and a shared attendee experience. SAP will continue to use virtual events in conjunction with physical events as we strive towards the best customer experience possible.”

**Rob Halsey**  
VP, Marketing Innovation SAP

## Virtual Business Examples

### Generate Leads, Business and Revenue: PennWell Corp.



**Marketing Issue:** Existing market conditions were negatively affecting customer budgets and, despite the economic downturn, sold-out exhibit space at some physical shows was leaving potential customers out.

**Marketing Solution:** Complementary virtual events to extend the reach of its portfolio of physical events and deliver high-quality training to fire services professionals in the most convenient format for them – physically or virtually

**Virtual Event Strategy:** Extend reach of Fire Department Instructor Conference's (FDIC) reach to new audiences, provide quality education to virtual event attendees and drive sales to exhibitors.

**Virtual Event Features:** The visual experience featured animated fire engines upon entering the conference, smoke billowing from exhibit booths and a virtual brief case for collecting and saving resource center materials.

**Results:** Since its first FDIC virtual conference in June 2008, PennWell has attracted nearly 4,000 registrants and more than 2,200 attendees – for an average attendance rate of 55 percent. On average, attendees spent nearly six hours in the virtual conference, and exhibitors average over 650 leads each, and PennWell Corp. has increased their revenue and use of virtual events.

“Our goal is to connect, educate and engage with our audiences wherever they are in the world, physically or virtually. INXPO’s virtual events and experience solutions enable us to bridge these two worlds with an experience that delivers high-quality content to our audiences, drives targeted and quality leads to our customers and continues to drive our business forward.”

Tom Cintorino  
SVP Digital Media  
PennWell Corporation

## Conclusion

In the end, an event is an event is an event. A virtual event must be planned and executed just like any event in your marketing or communication plan – the delivery just happens to be online. You still need adequate staff to plan and schedule content, confirm speakers, obtain sponsors, target your audience, generate leads and analyze data to be successful.

And, perhaps even more so than a physical event, a virtual event experience must be motivating, engaging and memorable. Your virtual event needs to connect, educate and move your audience with compelling content, interesting speakers and relevant sponsors and exhibitors, all in a visually appealing and stimulating way.

So where do we go from here? The ability to customize and personalize the experience to each attendee's needs and preferences and create new powerful communication and revenue engines will likely grow exponentially. The emergence of hybrid events that combine physical events with virtual elements will create richer experiences for attendees regardless of geography. In essence, today's virtual events will become tomorrow's "virtual business."

We're also just beginning to see the impact of social media on virtual events; INXPO has already integrated Twitter into our platform. With the right skills and staff dedicated to social media, these types of organic communities can nurture and grow your virtual event and branding efforts by increasing visibility into electronic word-of-mouth channels.

This paper was produced by INXPO. INXPO is the leading platform provider of virtual events and virtual business environments, including Virtual Trade Shows, Career Fairs and Corporate Events, as well as audio and video webcasts. These virtual solutions dramatically reduce travel time and related costs, in addition to making the world a greener place to live. INXPO's Virtual Events provide organizations with the ability to generate leads, communicate, educate and network by connecting more effectively with their communities.

